



# SUMMARY MINUTES

ABAG Power Executive Committee

Meeting 2004-04

August 18, 2004

Metro Center, 101 8<sup>th</sup> Street, Oakland, CA 94607

## WELCOME AND INTRODUCTIONS

Chairman Richard Averett opened the meeting with introductions at 12:10 p.m.

### Committee Representatives & Alternates Present

Mark Akaba  
Richard Averett, Chairman  
Ed Buonaccorsi  
John Lisenko  
Terry Mann  
Dave Millican, Vice-Chairman  
Steve Sprotte  
Vicki Swank

### Jurisdictions

City of Vallejo  
City of San Carlos  
City of Santa Rosa  
City of Foster City  
County of Contra Costa  
City of Fremont  
City of Union City  
County of Santa Clara

### Committee Representatives Absent

Mary Hill  
Jeff Kolin  
Rob Sousa

City of Vallejo  
City of Santa Rosa  
City of Benicia

### Staff Present

Joe Chan  
Henry Gardner  
Jerry Lahr  
Eugene Leong  
Vina Maharaj

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## PUBLIC COMMENTS/ANNOUNCEMENTS

There were no public comments.

## APPROVAL OF SUMMARY MINUTES OF JUNE 23, 2004 MEETING

Motion was made by Swank/S/Mann/C/8:0:0 to approve the Summary Minutes of June 23, 2004 Executive Committee Meeting.

**REPORT ON NATURAL GAS PROGRAM**

Jerry Lahr provided the members with the monthly Summary of Operations report for the Natural Gas Program for FY 2003-04 and FY 2004-05. Lahr said that the actual gas usage data for July was not yet available, so he was unable to provide a final end-of-year comparison against PG&E for FY 2003-04. However, he pointed out that the cumulative savings for the ABAG POWER Natural Gas Program was as high as 20% during the winter months of 2003. The cumulative savings had dropped down to 10% through May, 2004 due to PG&E's Core Gas Procurement rate which has included a substantial negative "adjustment" since February, 2004 causing PG&E's rate to appear lower than the actual cost of gas. Lahr said he was expecting a more favorable comparison starting August, 2004.

**Addition of Non-Core Accounts to the Program**

Lahr reported that the City of Watsonville had added a Non-Core Cogen account to the program, starting in August, 2004.

**Agreement with Sierra Southwest Cooperative Services, Inc.**

Lahr said that ABAG POWER had signed a master purchase agreement with Sierra Southwest Cooperative Services, Inc., an energy cooperative. While the gas agreement did not commit ABAG POWER to buy from them, having an agreement in place would give the program another opportunity to acquire favorably priced gas.

**Natural Gas Core Aggregation Agreement**

Lahr said that the core gas agreements were in the process of execution by the members and ABAG POWER had received only a handful back at this point. He said he was planning to start tracking the status of the agreements as the program was looking forward to purchasing natural gas beyond June of 2005.

**Preliminary Financial Statement**

Joseph Chan provided the members with a preliminary, unaudited financial report as of June, 2004.

**ELECTRIC PROGRAM WIND-UP****Status of Electric Program Wind-up Agreement**

Jerry Lahr provided the members with a status of the electric program windup indicating that the Windup Agreement had now been approved by all members.

**Status of Electric-Only members**

Lahr provided a draft memo to the Executive Committee as per their request at its prior meeting, for approval. The draft memo was addressed to the former participants of the Electric Program, reminding them of their membership status, the process for withdrawal and the distribution of future funds or liabilities. A consensus was reached to hold off on this memo pending revisions to the ABAG POWER Bylaws.

**REVISIONS TO ABAG POWER BYLAWS**

Ken Moy provided the members with a memo regarding recommendations for ABAG POWER Bylaw changes outlining the background, analysis and requesting approval by the executive committee. A discussion followed.

Motion was made by Sprotte/S/Millican/C/8:0:0 to recommend to ABAG POWER Board of Directors the bylaw amendments as presented by Ken Moy in his memo dated August 10, 2004, with the following changes:

- The Executive Committee to be comprised of the Chair, Vice-Chair and between 3–9 members as opposed to 5-9 in the original recommendation.
- Adopt the amendments with a resolution that waives the notice and withdrawal period requirements for electric-only program members.

**LOCAL GOVERNMENT ENERGY PARTNERSHIP**

Lahr provided an enrollment status of the LGEP Program.

**ANNUAL BOARD OF DIRECTORS MEETING**

A general consensus was reached by the Executive Committee to hold the Annual Board of Directors meeting on Tuesday November 9<sup>th</sup>, from 10:00 a.m. to 1:00 p.m.

Member Dave Millican proposed that staff who worked on the windup of the electric program be commended at the Annual Board Meeting for doing an outstanding job of getting the electric program windup issues resolved in an excellent, timely manner. Chairman Averett added that Chairman Jeff Kolin be added to the commendation list for his exceptional leadership skills.

**ADJOURNMENT**

Chairman Averett adjourned the meeting and resumed the Closed Session at 2:30 p.m.

**CLOSED SESSION**

Conference with Legal Counsel – Existing Litigation [Govt. C. Sec. 54956.9(a)]  
PG&E Natural Gas Rate Case Settlement (CPUC Proceeding No. A04-03-021)

Conference with Legal Counsel – Existing Litigation [Govt. C. Sec. 54956.9(a)]  
Natural Gas Market Manipulation

Action was taken on both closed session items.

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\*Example of a motion – [Member No. 1/S/Member No. 2/roll call vote/C/8:0:0] means Member No.1 motions, seconded by Member No.2, after roll call vote, motion carries, 8 = “yes” votes, 0 = “no” votes and 0 = abstentions.